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*Attorney for U.S. Bank National Association,
as Trustee*

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

AMES DEPARTMENT STORES, INC., *et al.*,

Debtors.

)
)
)
) Chapter 11
) Case No. 01-42217 (REG)
)
)
) Jointly Administered
)

**REQUEST FOR PAYMENT OF ADMINISTRATIVE CLAIM
OF U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE
FOR THE HOLDERS OF 12½% SENIOR NOTES DUE 2003**

1. U.S. Bank National Association, as successor in interest to State Street Bank and Trust Company, serves as the trustee (collectively with its predecessors, the "Trustee") under an Indenture dated as of April 19, 1996 (as supplemented on December 24, 1998, and April 15, 1999, the "Indenture"), from Hills Stores Company ("Hills"), as issuer, and the Guarantors (as defined in the Indenture) to the Trustee, providing for the issuance of the 12½ % Senior Notes Due 2003 of Hills (the "Notes") in the original aggregate principal amount of \$50,875,000.00.¹

2. Pursuant to, *inter alia*, an Agreement and Plan of Merger, dated as of November 12, 1998, among Ames Department Stores, Inc. ("Ames"), HSC Acquisition Corp.

¹ A copy the Indenture was appended to the *Verified Statement Pursuant to Bankruptcy Rule 2019 of State Street Bank and Trust Company, as Trustee* filed with this Court. Any party wishing to obtain a copy may direct such requests to the Trustee's counsel (see below).

and Hills, Hills became a wholly-owned subsidiary of Ames. In accordance with §§5.01 and 5.02 of the Indenture, as evidenced by the Second Supplemental Indenture dated as of April 15, 1999, Ames, as the surviving entity of the merger with Hills, assumed all of the obligations of the merged entities under the Notes and Indenture.

3. The Trustee is filing this claim as a precautionary measure in light of that certain *Notice of Deadline for Filing Requests for Payment of Administrative Expense Claims* dated April 23, 2010 (the “Claim Notice”). The Trustee believes that the payment of its claims as set forth herein have been provided for in §2.5 of the Debtors’ proposed Plan of Reorganization filed on December 6, 2004.

4. The Trustee has an administrative claim for fees and expenses incurred by the Trustee and its advisors and professionals from August 20, 2001 through April 1, 2010² as set forth in the below chart:

Description	Amount
Trustee’s Fees	
Annual Administration	\$48,400.00
Extraordinary Administration	\$75,892.50
Counsel Fees	\$120,884.40
Total	<u>\$245,176.90</u>

5. All payments on this claim and other credits have been credited and deducted for the purpose of making this claim, and this claim is not subject to any setoff or counterclaim. No judgment has been rendered on this claim.

6. The Trustee specifically reserves the right to amend this claim to reflect any additional claims against the Debtors, or to specify additional costs, expenses or other charges or

² In accordance with the Claim Notice, the Trustee has included only fees and expenses incurred through April 1, 2010 in this Request. The Trustee and its advisors and professionals have incurred, and continue to incur, additional fees and expenses for the period after April 1, 2010.

claims incurred by the Trustee and to file additional claims for claims which may be based on the same documents.

7. The addresses to which all notices and other communications should be sent with respect to this claim are as follows:

Laura L. Moran, Vice President
U.S. Bank National Association
One Federal Street
Boston, Massachusetts 02110
Fax: (617) 603-6640
Email: Laura.Moran@USBank.com

with a copy to:

Jeanne P. Darcey, Esq.
Sullivan & Worcester LLP
One Post Office Square
Boston, Massachusetts 02109
Tel: (617) 338-2800
Fax: (617) 338-2880
Email: JDarcey@sandw.com

8. The filing of this claim is not, nor shall it be deemed to be, (a) a waiver or release of the Trustee's rights against any person, entity or property; (b) a consent by the Trustee to the jurisdiction of this Court with respect to the subject matter of this claim or any objection or other proceeding commenced in this case against or otherwise involving the Trustee; (c) a waiver of the right to move to withdraw the reference, or otherwise to challenge the jurisdiction of this Court; (d) a waiver of a right to a jury trial; (e) an election of remedy; or (f) a waiver of any past, present or future defaults or events of default.

Dated: June 11, 2010

U.S. BANK NATIONAL ASSOCIATION,
AS TRUSTEE, By Its Attorney,

/s/ Jeanne P. Darcey

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CERTIFICATE OF SERVICE

I, Charlotte P. Bodell, hereby certify that on this 11th day of June, 2010, copies of the *REQUEST FOR PAYMENT OF ADMINISTRATIVE CLAIM OF U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE FOR THE HOLDERS OF 12½% SENIOR NOTES DUE 2003* were served on the below via electronic mail and by electronic means via the Court's CM/ECF system on the parties registered with the CM/ECF system for such service.

Dewey & LeBoeuf LLP
1301 Avenue of the Americas
New York, NY 10019
Attention: Timothy Q. Karcher, Esq.
Email: tkarcher@dl.com

Boston, MA

Sullivan & Worcester LLP

By: /s/ Charlotte P. Bodell
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